

City of Detroit

CITY COUNCIL


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CORRECTED COPY WITH ATTACHMENTS

TO: The Honorable Public Health and Safety Standing Committee
Council Member Alberta Tinsley-Talabi, Chairperson

FROM: David Whitaker, Director 
Research & Analysis Division staff

DATE: November 19, 2007

RE: **HOST COMMUNITY AGREEMENTS**

The Research & Analysis Division (RAD) submits this memorandum in response to concerns raised by Council Member JoAnn Watson during the October 15, 2007 discussion of the Host Community Agreements. In particular, Committee Member Watson asked RAD "for a status on how much money the Americal facility has put into air quality control".

A. Background Information

During his recent presentation to the Public Health and Safety Committee, Vincent Nathan, PhD (Director of the Department of Environmental Affairs) stated that there is a "void in some of the environmental regulations in regard to recycling/composting facilities, i.e. junk yards, recycling facilities and compost facilities." According to Dr. Nathan, these facilities are not regulated by the State. Wayne County does, however, issue a Solid Waste Plan registration to facilities that obtain an approved license from the City of Detroit.

Prior to obtaining a license from the City, facilities like Americal must execute a Host Community Agreement. According to Dr. Nathan, the Host Community Agreement is the only vehicle the City has to ensure comprehensive environmental oversight. Moreover, the contractual provisions contain more stringent controls than proposed legislation. Execution of a Host Community Agreement would also allow the City to "collect nominal fees" that could be used toward the cost of performing periodic inspections to monitor compliance.

The Host Community Agreement by and between Americal and the City has not been approved by Council.

B. Americal's Air Quality Controls

In a June 8, 2007 memorandum to Council President Pro Tem Monica Conyers, Dr. Nathan provided the following background information regarding the operation of Americal's solid waste transfer facility:

"As described in the Host Community Agreement, Americal, LLC receives construction and demolition debris and corrugated container board in large dumpsters at its facility. This solid waste is separated by components such as metals, paper, glass, wood, etc. Those components with value are sold to recyclers. The remaining waste is disposed at licensed landfills. All operations are performed inside a large building. (See Attachment 1 – Emphasis in original response).

Similarly, William Hischke (Environmental Specialist 2 – Department of Environmental Affairs) advised the Public Health and Safety Committee that:

"Americal is handling construction and demolition. There's no chemical in the facility; for the most part it's dry. They do all their separation transfer within the building so there's no dust emitted into the air. All lead would be recovered and sold" (See the October 15, 2007 Clerk's notes – Attachment 2).

According to Mr. Hischke, Americal has neither invested in nor expended funds relative to air pollution control devices because all of the processing activities take place indoors.

On the afternoon of November 16, 2007, RAD staff met the owners of Americal, toured the facility, and took photographs of the construction and demolition debris (See attachment 3¹). It is our understanding that Americal receives materials such as wood, steel, concrete, glass, cardboard, and other solid waste from contractors that is loaded onto dumpsters². Trucks carrying the dumpsters enter the facility through large bay doors. Once inside, the material is unloaded and sorted. Two employees use forklifts to separate the material and sort out items that can be recycled. Items of value are sold to recycling companies. The remaining waste/trash is taken to landfills.

¹ The original photographs are attached to the Clerk's copy. Copies will be distributed under separate cover to members of this Honorable Committee.

² It is RAD's understanding that Americal does not handle hazardous material. However, this Honorable Committee may wish to confirm the protocol used to screen each load to ensure that the materials are free of contaminants.

RAD staff observed workers sorting materials without face masks or other respiratory safeguards. The bay doors remained open during the sorting process and there was a thick layer of dust on the floor.

Dust particulates that are emitted into the air during the sorting process are purportedly controlled by two large fans on the south wall of the building near the ceiling. RAD recommends further inquiry regarding whether the particulates are being vented into the outside environment at an acceptable level.

Michael Dinverno (President of Americal LLC) advised RAD staff that the company plans to install a water misting system that will be located directly over the waste pile and loading area. The mist would cause the dust to fall to the floor. The floor would then be cleaned each evening.

RAD, therefore, also recommends that this Honorable Committee ask Americal for a date certain regarding the installation of a misting system and whether that device will be sufficient to control air emissions.

RAD will continue to research the relevant regulatory measures that may apply to the operations being performed by Americal and provide a supplemental report.

Attachments

ATTACHMENT 1



CITY OF DETROIT
DEPARTMENT OF ENVIRONMENTAL AFFAIRS
OFFICE OF THE DIRECTOR

NOTE TO COUNCIL:
THIS MATTER WILL BE
BROUGHT INTO COMMITTEE
ON TUESDAY JUN 12 2007

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MEMORANDUM

To: Honorable Monica Conyers, Council President Pro-Tempore

From: Vincent R. Nathan, PhD, MPH *VN*
Director

Date: June 8, 2007

Re: Host Community Agreement: Americal, LLC

This memorandum responds to the three follow-up questions regarding Americal, LLC in your memorandum dated June 6, 2007.

1. Where are the landfills? (Relative to my first set of questions #2)

The landfills are not located within the jurisdictional limits of the city of Detroit. The facility may use any licensed landfill it chooses.

(Previous answer) 2. How is this facility different from systematic?

Americal, LLC operates as a solid waste transfer facility, whereas Systematic Recycling, LLC is a composting operation. As described in the Host Community Agreement, Americal, LLC receives construction and demolition debris and corrugated container board in large dumpsters at its facility. This solid waste is separated by components such as metals, paper, glass, wood, etc. Those components with value are sold to recyclers. The remaining waste is disposed at licensed landfills. All operations are performed inside a large building. Systematic Recycling, LLC, receives yard waste (grass clippings, leaves, & tree branches) and converts it to compost during a period of approximately 9 months to one year. All Systematic operations are performed outside.

2. Where were you operating before this facility? (Relative to my first set of questions #4)

Americal, LLC began their first operations at the facility on Meyers and have not operated at any other location. As stated in the earlier answer, the facility is not new and the business has been operating since 2005. This new operation is an expansion of that activity.

(Previous answer) 4. Is this a new facility in Detroit?

The facility is not new. Americal, LLC purchased an old industrial complex, formerly

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De 11/07 (FJ)



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operated by Univertical Corporation, in November 2004.

3. Where were you doing business? (Relative to my first set of questions #6)

Americal, LLC has conducted business only at 14801 Meyers.

(Previous answer) 6. How long have they been in business doing this work?

Americal, LLC has been in business since early 2005. One of the principals has similar previous experience operating Dinverno Recycling on Nevada.

Cc: Kandia Milton, Legislative Liaison

ATTACHMENT 2

PUBLIC HEALTH AND SAFETY STANDING COMMITTEE

MONDAY, OCTOBER 15, 2007

E. **SS - 11:15 A.M. - DISCUSSION - RE: Host Community Agreements (Vincent R. Nathan, PhD, MPH - DEA)**

**DISCUSSION HELD. PUT BACK ON TABLE TO REVIEW HOST
COMMUNITY AGREEMENTS PER TINSLEY-TALABI, S. COCKREL AND
WATSON**

PRESENT:

Dr. Vincent Nathan, Department of Environmental Affairs
Mr. William Hischke, Department of Environmental Affairs

VINCENT NATHAN (Department of Environmental Affairs): Previously, we've had one Host Community Agreement that was approved and one that was not approved. I can answer questions on any component of the executed Host Agreement.

Over the last couple of years, we found a void in some of the environmental regulations in regard to recycling/compost facilities; i.e., junk yards, recycling facilities and compost facilities. They're not regulated by the state nor the county; however, the County of Wayne does require a Solid Waste Plan registration. That registration is after an entity in the City gets an approved license to operate. The facility is then registered on the Solid Waste Plan.

Prior to submitting anything to DEA for the license to operate, there is an Industrial Youth Committee prepared by the DEA. The Committee members as well as other City departments have agreed that the Host Community Agreement would be one of the requirements of getting the license for those particular entities that aren't covered under state or county law.

The Host Community Agreement is the only vehicle we currently have to regulate those facilities. The concept of not having a Host Agreement would be that the licensing would be issued without the Host Community Agreement. The entity would operate as it did in the past, without over site.

The State of Michigan has proposed limited legislation, it has not passed the House or Senate, regarding these recycling type facilities. The legislation is weak and we're asking the Community Agreement be executed so we can have a means of control over these types of facilities.

WILLIAM HISCHKE (Department of Environmental Affairs): The Host Community Agreements allow us to collect nominal fees for the operation of those facilities. That helps when inspectors periodically go out in the system to see what they're doing.

ALBERTA TINSLEY-TALABI: You're here because earlier this year Council voted down the Host Agreement. Even with that being voted down, they can still operate under state law.

NATHAN: Under their license, they can operate. That's one of the points of the Host Agreement. We're asking for a regulatory vehicle, not their location or the fact they can operate. This is for over site.

SHEILA COCKREL: We approved one Agreement but not another.

HISCHKE: The first one approved was for systematic recycling; the compost facility on Jefferson. The one for Americal is actually a solid waste transfer facility, which is a completely different type of operation. They receive, process and separate construction demolition debris. They provide dumpsters through the contractors.

The contractors fill the dumpsters and bring them back to their facility where they separate the good from invaluable material. Primarily they're looking for metal, glass, paper and cardboard.

S. COCKREL: Do they have use which is regulated/permited by levels of government under the law, independent of a local unit of government?

NATHAN: They have the ability to operate. They don't have state nor county over site.

S. COCKREL: The Host Community Agreements gives us a tool to put in place to ensure environmental over sites, control and a fee will be paid to do the over site.

NATHAN: Correct.

S. COCKREL: I know some of the folks in the community didn't like Americal; but at the end of the day, it was taken into account this gives us a way to do over sites that we otherwise wouldn't have.

The next area you're looking at is junkyards?

NATHAN: Yes.

S. COCKREL: We need to carefully look at any mechanism that is going to permit a higher level of monitoring and over site in neighborhoods.

NATHAN: We have several pending. We're going to be submitting at least two more in the near future.

S. COCKREL: There's a clause against assignment without notice to us. Is that assignment of the Host Agreement or an assignment of the underlining company?

NATHAN: It's the assigned company.

HISCHKE: This would not translate to another company.

S. COCKREL: With the Host Community Agreement, we would be in the loop to know when somebody is getting ready to sell their company to somebody else.

NATHAN: Right, because the Host Community Agreement transfers with it.

JOANN WATSON: Would the involved parties be composed of an independent group or citizens?

HISCHKE: We can look into that.

WATSON: If we were a component of a Host Community Agreement, regarding citizens who go for health problems relating to contamination, the cost for service could be traced to factors relating to waste in the community. **A CITIZEN COMPONENT HAS TO GO INTO THE AGREEMENT.**

I'M ASKING CITY COUNCIL RESEARCH AND ANALYSIS DIVISION (RAD) FOR A STATUS ON HOW MUCH MONEY THE AMERICAL FACILITY HAS PUT INTO AIR QUALITY CONTROL.

I'M ALSO ASKING RAD TO DO A RESOLUTION CALLING FOR CONGRESS TO OVERRIDE PRESIDENT BUSH'S VETO WHICH DENIES CHILDREN TO HEALTH CARE. *Resolution Submitted/Approved 10/23/07*

HISCHKE: Americal is handling construction and demolition. There's no chemicals in the facility; for the most part it's dry. They do all their separation transfer within the building so there's no dust emitted into the air. All lead would be recovered and sold.

TINSLEY-TALABI: COUNCIL WILL PUT THIS MATTER BACK ON THE TABLE. WE WILL MOVE TOWARD ADOPTING THE AMERICAL HOST COMMUNITY AGREEMENT. WE WILL BRING THIS BACK IN ONE MONTH.

Sharon Smigiel

ATTACHMENT 3

AMERICAL

14801

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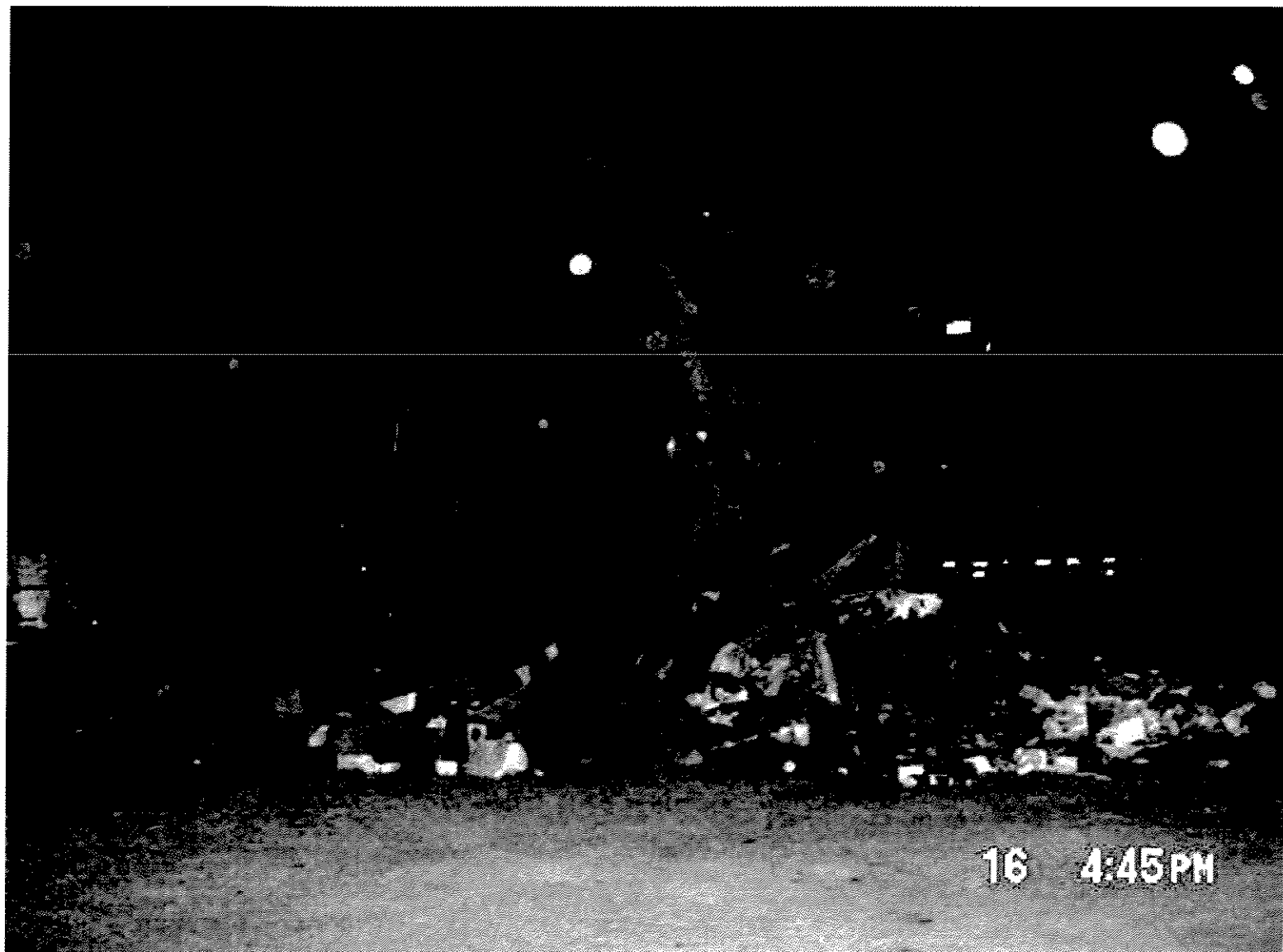


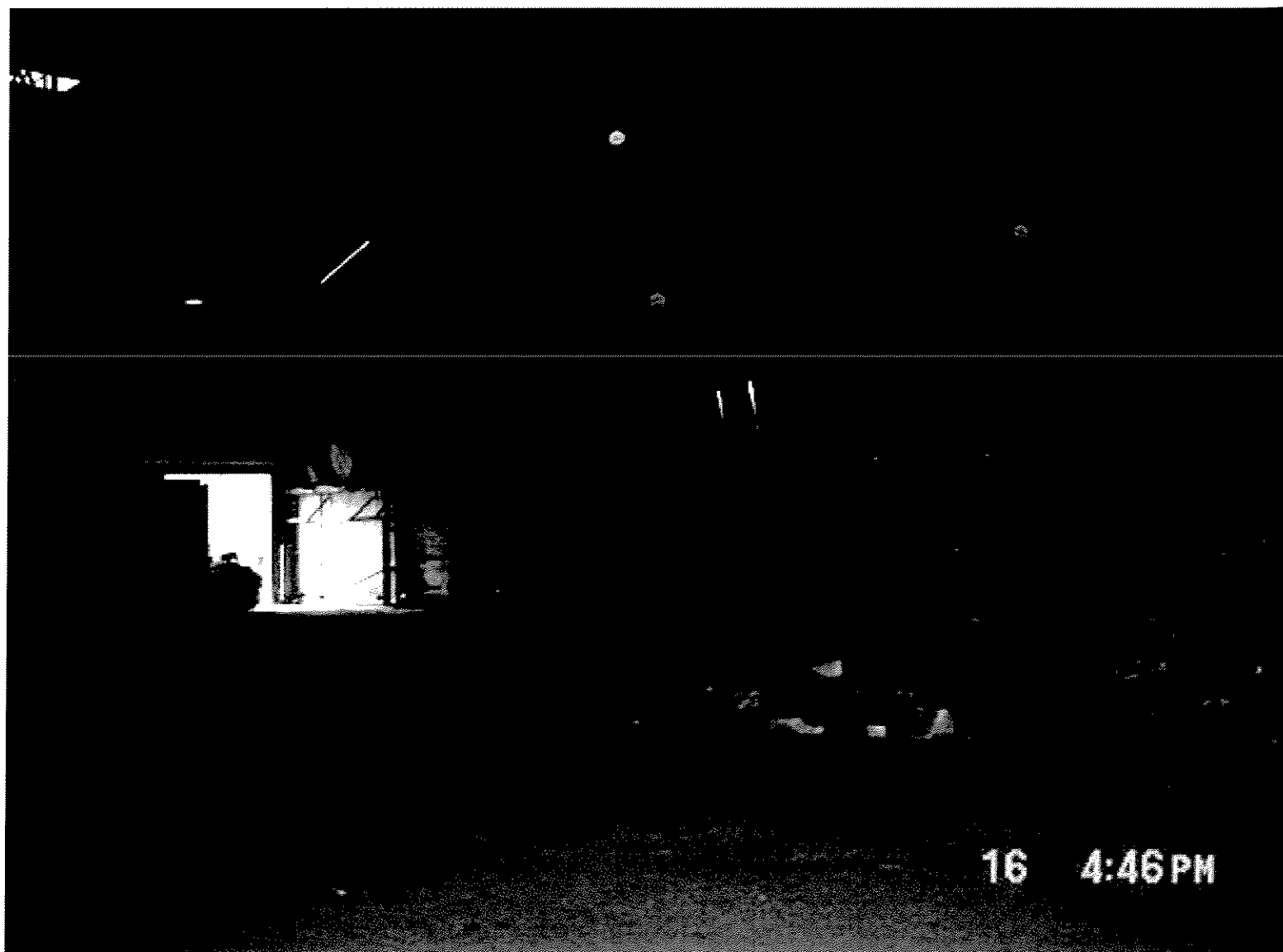
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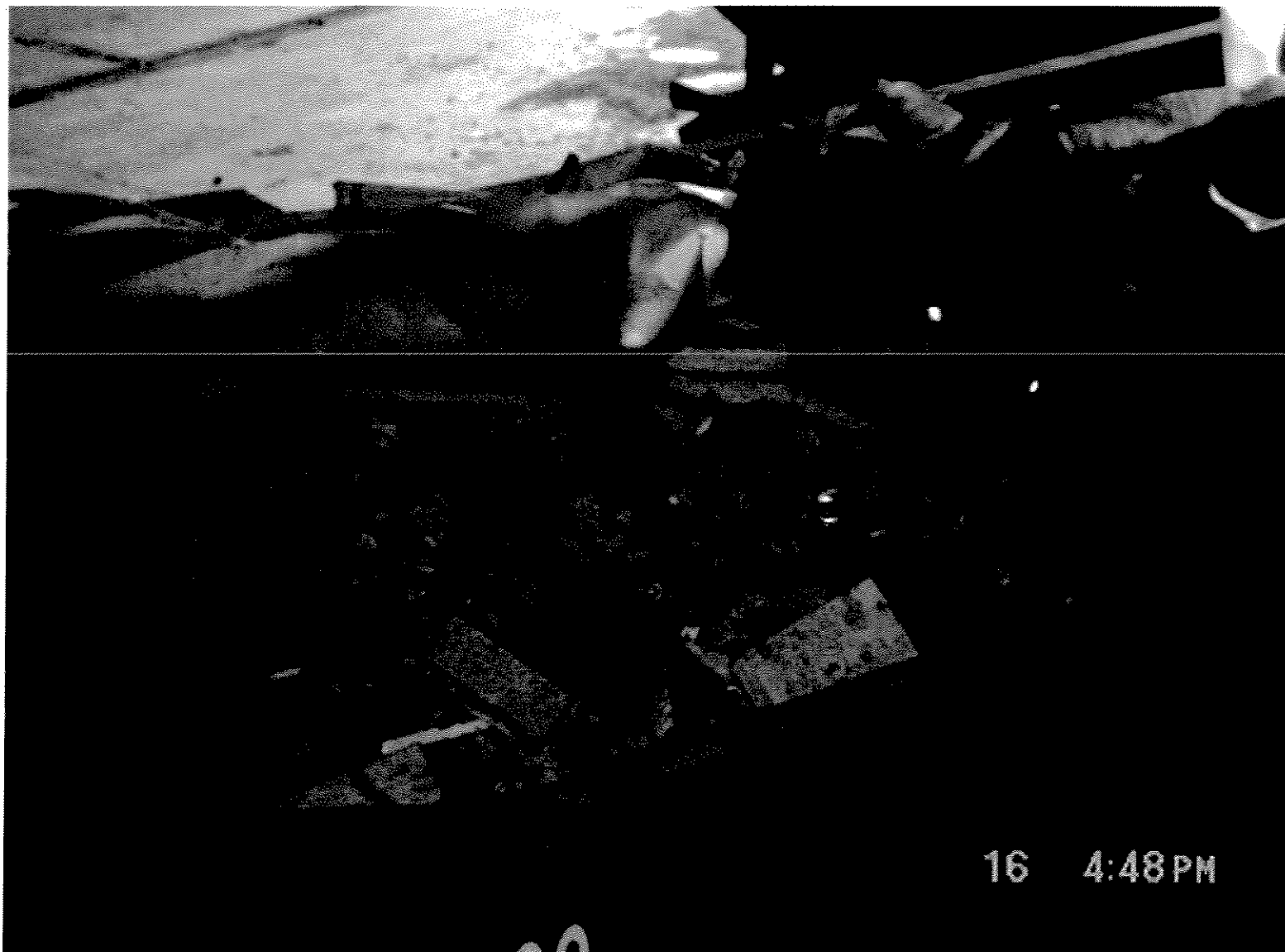


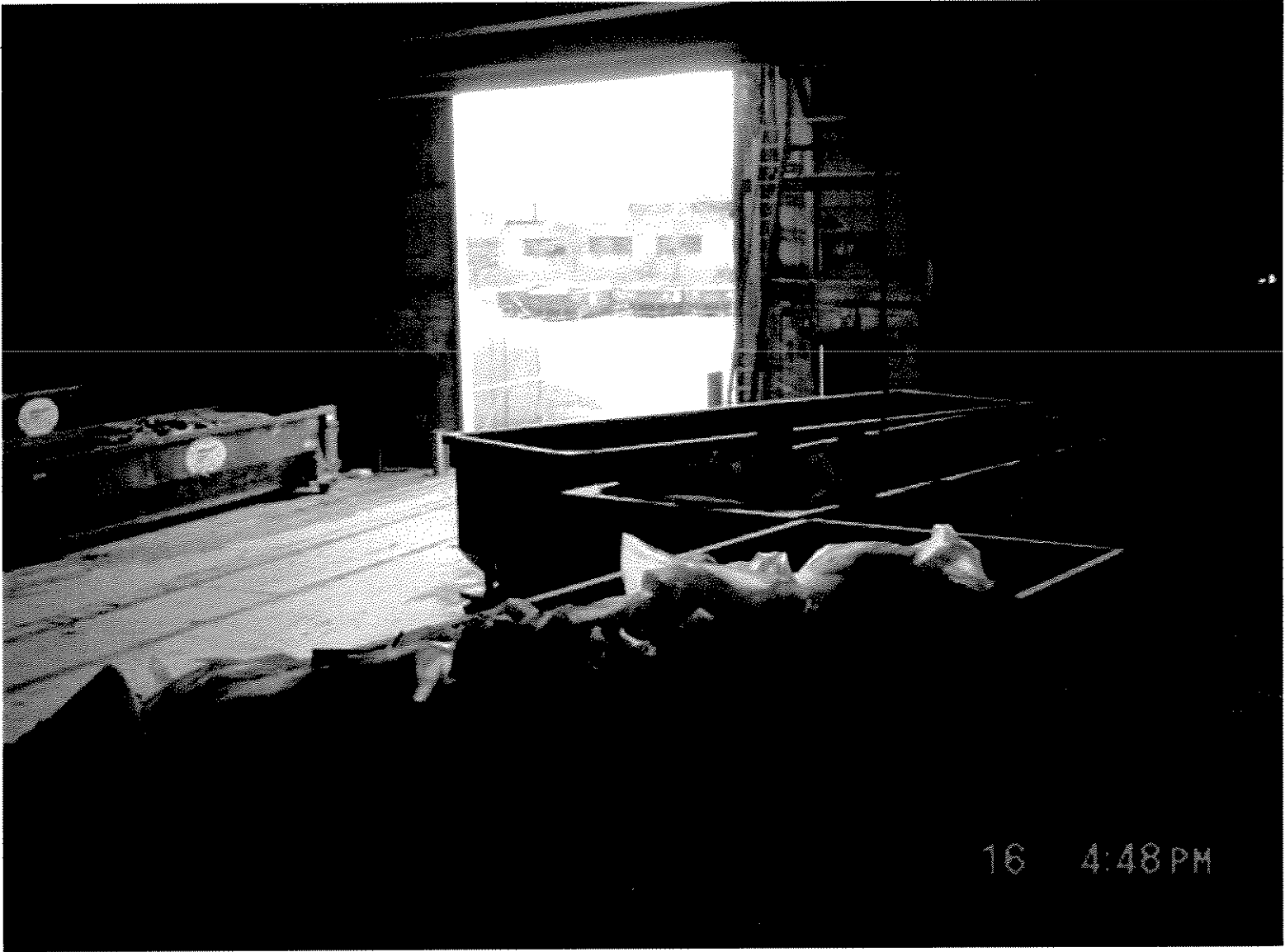


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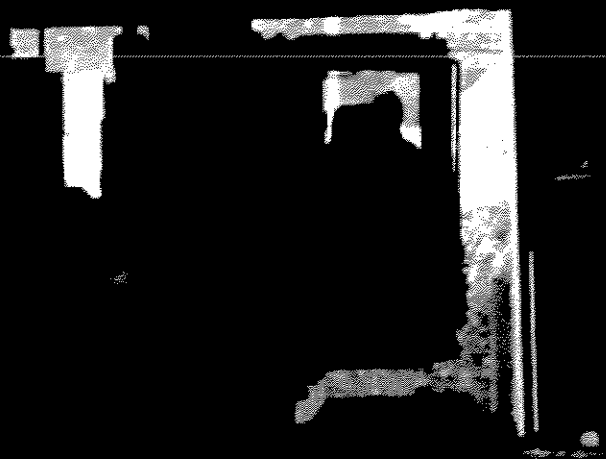




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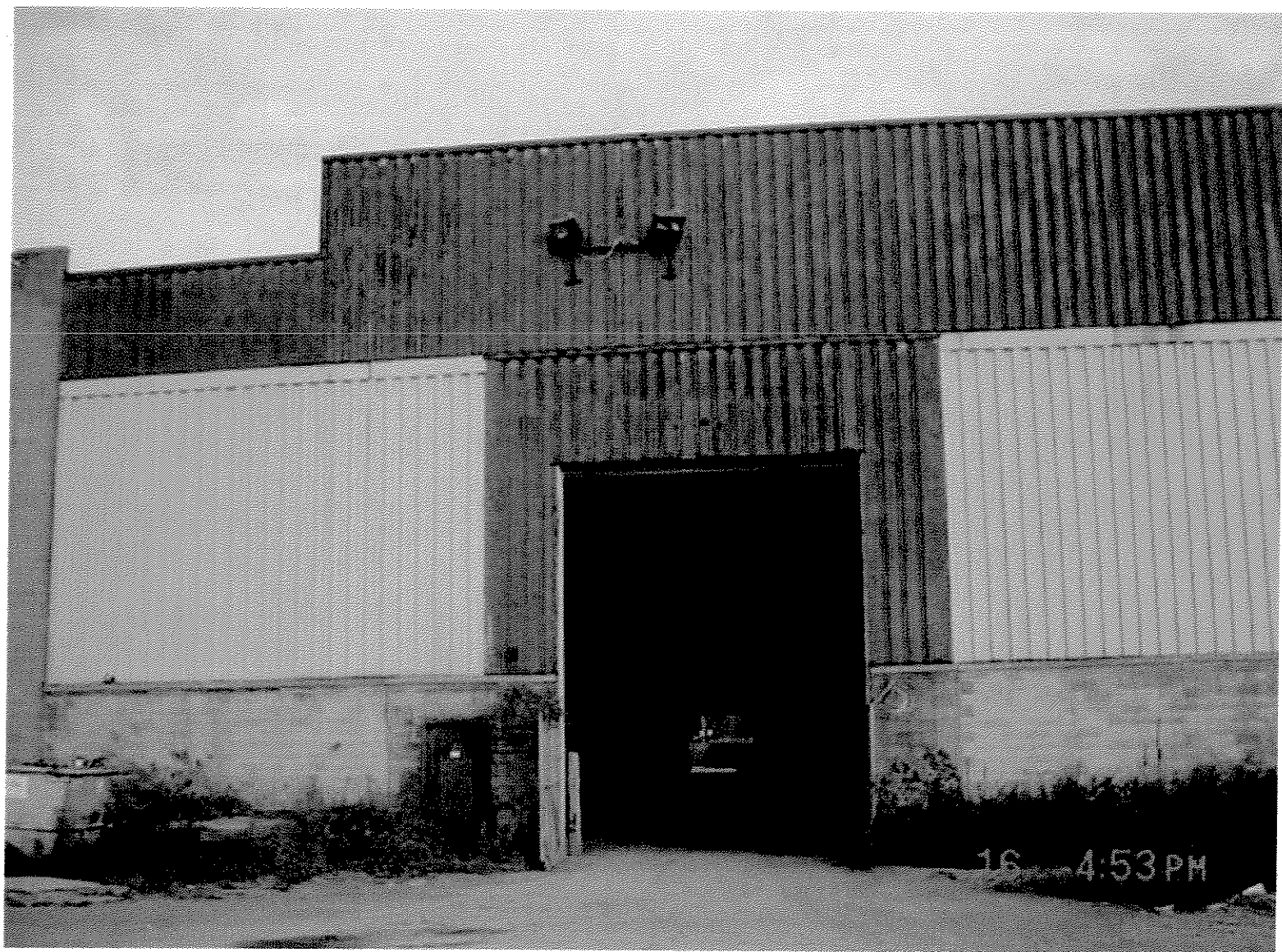


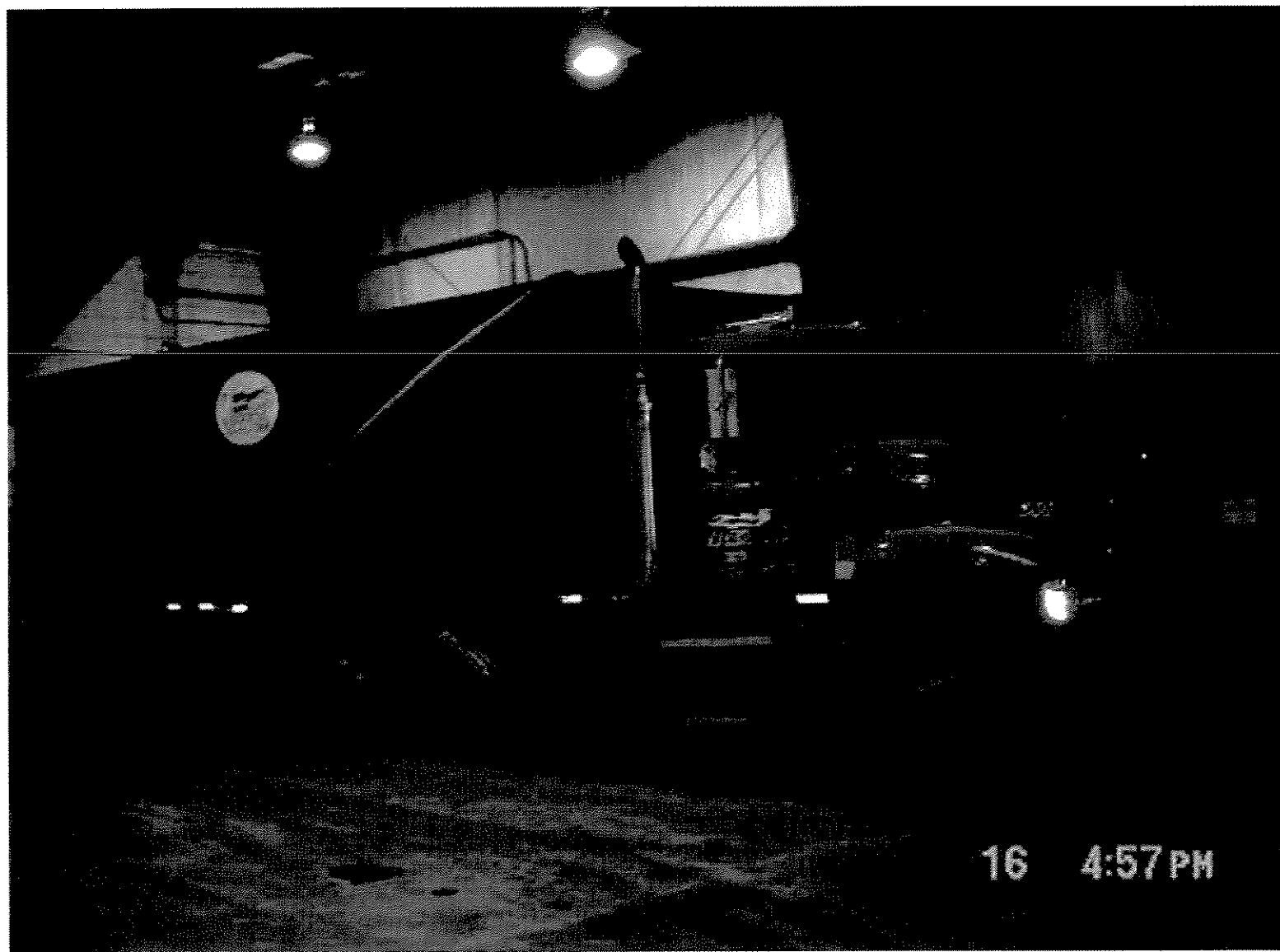
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